

General Principles Applicable To Tax And Financial Relations

TAX RELATIONS PRINCIPLES	
General principles of tax systems established by the Historical Territories	<ul style="list-style-type: none"> • Respect for the solidarity principle • Regard for the taxation structure of the State • Coordination, tax harmonization and collaboration with the State • Coordination, tax harmonization and collaboration with the State among the institutions of the Historical Territories. • Submission to International Agreements or Treaties
Tax harmonization principles of the tax legislation of the Historical Territories	<ul style="list-style-type: none"> • Respect the General Tax Law in matters of terminology and concepts • Maintain an overall effective fiscal pressure equivalent to that in force in the rest of the State • Respect and guarantee freedom of movement and establishment of persons and the free movement of goods, capital and services throughout the territory of Spain, without giving rise to discrimination or a lessening of the possibilities of commercial competition or to distortion in the allocation of resources • Use the same system for classifying livestock, mining, industrial, commercial, service, professional and artistic activities as is used in the so-called common territory, without prejudice to further itemisations that might be made.
Cooperation principle	<ul style="list-style-type: none"> • Exchange of draft bills on tax regulations prior to their coming into effect • Collaboration of the Basque Country Institutions in any international Agreements • Exchange of information and cooperation concerning inspection competence
Interpretation principle	<ul style="list-style-type: none"> • The rules laid down in the Economic Agreement shall be interpreted in accordance with the provisions contained in the General Tax Law for the interpretation of tax regulations.
FINANCIAL RELATIONS PRINCIPLES	
General Principles	<ul style="list-style-type: none"> • Fiscal and financial autonomy of the Institutions of the Basque Country in the development and execution of their competences • Respect for the principle of solidarity in the terms laid down in the Constitution and in the Statute of Autonomy • Coordination and cooperation with the State in matters of budgetary stability • Contribution by the Basque Country to the charges of the State not assumed by the Basque Autonomous Community
Principles related to Local Entities	<ul style="list-style-type: none"> • Conferring to the competent Institutions of the Basque Country of the same faculties of financial supervision exercised by the State at any time • Participation of the municipalities of the Historical Territories in non-agreed taxes